

World IP Day 2021

fieldfisher

From innovation to growth

In celebration of World Intellectual Property Day on the 26 April 2021, Fieldfisher's European IP practice explores this year's theme - **IP & SMEs: Taking your ideas to market.**

Intellectual property

- ▶ Copyright
- ▶ Designs
- ▶ trade marks
- ▶ Trade secrets
- ▶ Patents



World Intellectual Property Day is celebrated every year on the 26 April as a way to increase awareness on the importance of intellectual property (IP) rights (patents, trade marks, designs, copyright and trade secrets) to raise public awareness about the role that IP rights play in encouraging innovation and creativity and in supporting economic, social and cultural development.

This year's theme looks at how IP rights can help small and medium-sized businesses transform ideas into innovation and then innovation into commercialisation.

How important are SMEs to the global economy?

Small and medium sized businesses play a vital role in the world and are responsible for a large proportion of employment and innovation.

- ▶ 90% of businesses are SMEs¹
- ▶ 50% of people are employed by SMEs²
- ▶ SMEs contribute upwards of 50% to GDP in many countries.³

During the Covid-19 pandemic, SMEs have also been some of the most impacted businesses. For some the pandemic gave them opportunities to get investment and/or grow and expand in other ways. But, for others the pandemic caused irrecoverable damage to their business.

¹ <https://www.wipo.int/ip-outreach/en/ipday/>

² <https://www.wipo.int/ip-outreach/en/ipday/>

³ <https://ilo.org/infostories/en-GB/Stories/Employment/SMEs#engines>

The power of IP rights

For many businesses their IP portfolio is their most valuable asset. The IP protection system exists to reward innovation and allows businesses to protect and commercialise their creations. Without this guaranteed protection there would be no incentive to innovate and innovation is integral to the world that we live in currently and also for the future.

When it comes to smaller businesses, IP rights protect them from their ideas and creations being taken by larger rivals who are better resourced to capitalise from them. They also work to enhance the value of a business offering opportunities to attract investment or be attractive to other businesses for partnerships, acquisitions and/or mergers. While, IP rights are important to any business, many SMEs aren't aware of the different types of IP rights and for those that are, the journey isn't always smooth (or inexpensive) to get there, which is why many SMEs forego this step.

IP and SMEs

Research by the European Patent Office (EPO) and the EU Intellectual Property Office (EUIPO) in 2019⁴, found that there is a clear connection between the growth of SMEs and IP rights. With findings showing that:

- › SMEs that have filed at least one IP right are more than 20% ' more likely to experience a subsequent growth period, and 10% more likely to become a high-growth business'.
- › SMEs are 26% more likely to experience high growth if they have filed a European IP right.
- › SMEs that have different types of IP rights (a mixture of trade marks, patents and registered designs) are likely to experience up to 33% more high growth

The same report also at the time found that only 9% of SMEs had any IP rights registered with the EUIPO, in comparison to 40% of large businesses. So, what are the practical implications for SMEs that have or don't have IP rights?

Let's look at a few success stories of how IP has really allowed a business to take their ideas to the market.



Tribeka

Their business

Based in the UK, Tribeka has made an easier way for consumers to access digital content, through their creation of the SoftWide® technology.

IP rights

Copyright and related rights, patents, trade marks

Tribeka patented the process which cover 'secure production, audited manufacture, shrinkage protection, ordering facility and distribution of digitised information on demand and at point of sale'. It also has three UK trade mark registrations.

Outcomes

For Tribeka the early registration of IP rights meant they were able to prove their value and attract investment to bring SoftWide® to market. It also allowed them to secure partnerships with big name hitters in the tech industry such as McAfee, Atari and Microsoft and now allows that to license SoftWide® globally so they can continue to profit of their technology.

<https://www.wipo.int/ipadvantage/en/details.jsp?id=905>



Their business

Founded in France, EoleWater is an innovative company that makes and designs systems that use air to source water in to clean drinking water. The company has a goal to bring clean water to billions of people around the world.

IP rights

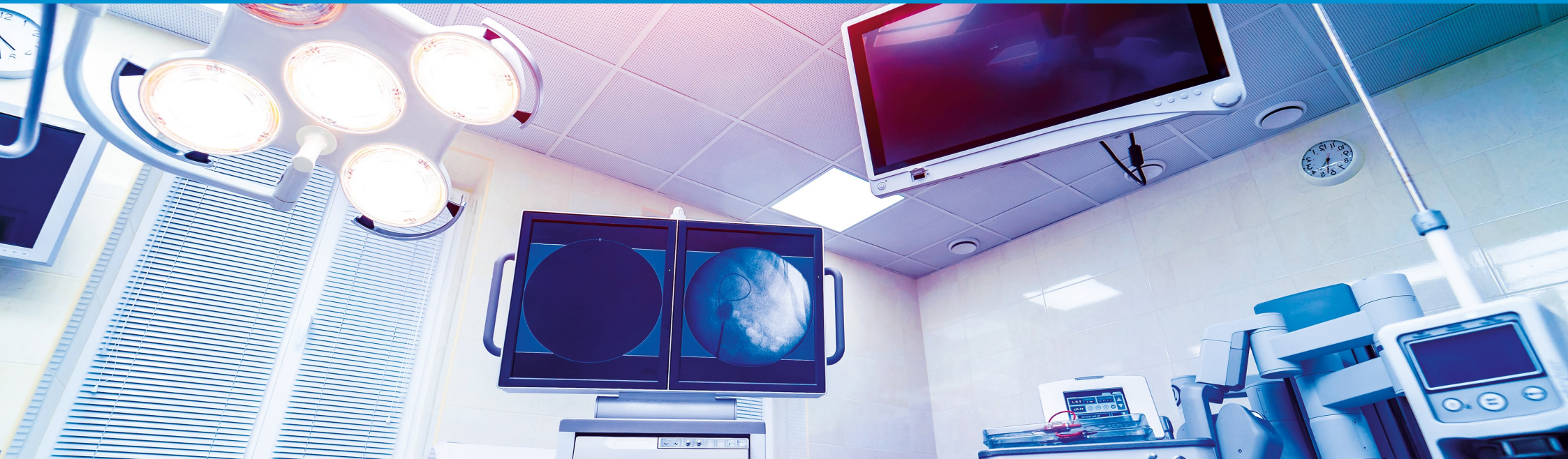
Patents

The founder invented a way to make his own water through the condensation that gathers on the surface of an air conditioning unit creating a wind turbine mechanism that produces water rather than pumps water. This initial creation was then patented with France's IP office as the founder realised that "*without patents there are no investors, no commercialisation*".

Outcomes

As a result of filing an early patent application to protect EoleWater's method, this opened up the business to commercial partnerships, which helped to raise awareness of their brand and has led to investment. For instance, EoleWater received €1.2 million in financing from a French venture capital company.

<https://www.wipo.int/ipadvantage/en/details.jsp?id=3108>



Their business

Founded in Germany, Somatex Medical Technologies is a revolutionary medical device company that specialises in developing minimally invasive products and technologies to treat tumours.

IP rights

Patents, trade marks and trade secrets

Somatex patented one of their first key innovations which was the first puncture and biopsy needles. Manufacturing these needles along with using MRI technologies, Somatex were able to accelerate their growth as an SME. Since its first introduction into IP rights, Somatex now has upwards of 50 patented inventions, 14 trade marks registered at either national or international level.

Outcomes

Somatex's use of IP rights have allowed it to hold its own against larger medical device companies and even benefit from sales partnerships for their products both nationally and internationally, with its products widely available in more than 40 countries.

<https://www.wipo.int/ipadvantage/en/details.jsp?id=2582>



WIREX

Their business

Wirex is a digital payment platform, founded in 2014. Their mission is to make cryptocurrencies and traditional currencies easily accessible to more people.

IP rights

Trade marks

Recently, Wirex was involved in a lengthy IP battle at the Intellectual Property Enterprise Court (IPEC) about the use of the word 'Cryptoback' for its bitcoin reward scheme, a term they had trade marked back in 2016. The founders of Wirex asserted that the owners of company Cryptocarbon Global Ltd, Cryptocarbon UK Ltd and Bee-One UK Ltd has infringed on Wirex's 'Cryptoback' trade mark.

Outcomes

Due to Wirex an up and coming FinTech at the time securing trade mark protection, they were victorious in defending their brand and have created a 'highly valuable and strategic business asset'. Despite, Cryptocarbon having evidenced earlier use of the term 'cryptoback', the court sided with the business that sought out IP protection.

<https://www.cityam.com/wirex-wins-high-court-battle-over-cryptoback-trademark/>



NETFLIX

Their business

While streaming giant Netflix is far from being an SME now, it did have humble roots. Founded in 1997, Netflix started out as home video cassettes and DVD delivery service.

IP rights

Patents

One of Netflix's first IP rights applications was to patent the method and apparatus for renting items using a computer. This patent protected the end to end process for customer rentals.

Another patent filed a few years later protects the technologies that allowed customers to stream content over the internet .

Outcomes

Early patenting by Netflix has been claimed to have played a huge role in their current success, allowing them to gain significant market share and advantage over competitors. Netflix now has a mega IP portfolio across patents, trade marks, registered designs and copyright.

<https://empirics.asia/how-i-p-fits-into-netflixs-business-model/>

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We are a forward-thinking organisation with a particular focus on technology, finance & financial services, and energy & natural resources.

Our international IP practice is highly ranked with experts across all areas of IP law. We support many of the world's leading brands in protecting, enforcing and exploiting their IP rights in order to maintain and grow brand value.

Our IP lawyers have a wealth of experience in acting for leading international businesses in relation to the strategic protection and enforcement of their brand IP. Many of our lawyers are recognised in the leading IP directories.

Our growing European network of offices supports – alongside our Beijing and Silicon Valley teams - an international client base that includes everything from life sciences companies to energy suppliers, tech giants, banks and leading consumer brands.

Clients choose to work with us because we deliver commercial, pragmatic and innovative solutions through our exceptional legal expertise and experience.

4

focus sectors:

Energy & Natural Resources
Financial Services
Life Sciences
Technology

700+
professional
advisers

1,700+
people

25
offices

Belgium
Brussels

China
Beijing
Guangzhou
Shanghai

France
Paris

Germany
Düsseldorf
Frankfurt
Hamburg
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